

DIVISION OF RECYCLING

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801 K STREET MS 15-05 SACRAMENTO CALIFORNIA 95814

PHONE 916/323-3263

916/327-2787

T D D 9 1 6 / 3 2 4 - 2 5 5 5

INTERNET consrv.ca.gov

ARNOLD SCHWARZENEGGER GOVERNOR

DEPARTMENT OF CONSERVATION STATE OF CALIFORNIA

December 15, 2003

IMPORTANT NOTICE!

To: All Retail Dealers Selling Beverages in California

Subject: Increase in CRV to 4 Cents and 8 Cents

Responsibilities of Retail Dealers under the Beverage

Container Recycling and Litter Reduction Act

The purpose of this notice is to inform all retail dealers (dealers) of changes to the Beverage Container Recycling Program (Program) resulting from Assembly Bill 28 that will become effective January 1, 2004. Additionally, this notice provides information that will assist dealers in meeting their responsibilities under the California Beverage Container Recycling and Litter Reduction Act (Act).

CRV BEVERAGE CONTAINERS NOW WORTH MORE MONEY

Beginning January 1, 2004, Assembly Bill 28 increases the redemption value of beverage containers as follows:

- 4¢ for each beverage container less than 24 ounces
- 8¢ for each container 24 ounces or more

On January 1, 2004 recycling centers will be required to redeem all empty beverage containers at these rates, dealers may begin charging consumers these new amounts, and distributors will also begin invoicing these amounts.

The bill requires beverage containers sold or offered for sale in this state to be labeled with the message "CA Redemption Value," "California Redemption Value," "CA Cash Refund," "California Cash Refund," or "CA CRV." It permits beverages labeled with the message CA 2.5¢ and CA 5¢ to be sold until July 1, 2004, although the CRV on those containers will be the new rate.

Dealers are encouraged to make sure that beverages from their suppliers are correctly labeled with the CRV message. If a dealer has an unlabeled or improperly labeled product that is covered under the CRV program, they should advise the appropriate distributor that they may only sell this product if it is properly labeled.

REMINDER REGARDING GENERAL DEALER RESPONSIBILITIES

Dealer responsibilities fall in the following general areas: (1) posting signs identifying the nearest certified recycling center; (2) shelf labeling and advertising acknowledging CRV on beverages; (3) charging customers the correct CRV on beverages; and (4) meeting unserved zone dealer redemption requirements.

(1) Posting Signs

By law, all dealers must post a clear and conspicuous sign at least 10"x 15" at ALL public entrances to the dealer's place of business. If there are two entrances, two signs are required. This sign must indicate the name and address of the nearest State certified recycling center that redeems all empty beverage containers and the Department's toll-free telephone number, 1-800-RECYCLE. If you already have a sign, occasionally check to see if the information on your sign is current. If you are not sure of the nearest certified recycling center, please call 1-800-RECYCLE. If you would like a complimentary recycling sign from the Division of Recycling (Division), please call 1-800-RECYCLE or the Division's Convenience Zone Section at (916) 322-4867. You may also email sign requests to dealersigns@consrv.ca.gov.

(2) Shelf Labeling and Advertising

All dealers with greater than 4,000 square feet of sales and storage space are required to display CRV as a separate component of the beverage price on all advertising and shelf labels. The purpose of this requirement is to enable the customer to identify how much CRV applies to the containers. For example, a six-pack of 12-ounce soda costing \$1.99 may be displayed as: \$1.99 + CRV or \$1.99 plus 24¢ CRV or \$1.99 + 24¢ CRV= \$2.23. Using "\$2.23 including CRV" is unacceptable as it does not identify how much CRV is applied.

(3) Charging CRV and Sales Tax (if applicable)

Dealers are encouraged to show the CRV payment on eligible beverages as a separate item on their cash register receipts. The CRV portion is subject to sales tax only if the beverage is subject to sales tax. CRV is 4¢ for each beverage container less than 24 ounces, and 8¢ for each container 24 ounces or more, for beverages sold in an aluminum, glass, plastic or bimetal container.

(4) Dealer Requirements in Unserved Zones

A convenience zone is the area within one-half mile radius of a supermarket. Any dealer located in a convenience zone that is not served by a certified recycling center is classified as an "unserved dealer." If you are located in a zone and it is not served by a certified recycling center, you will receive a notice from the Division with further instructions about redeeming empty beverage containers in your store.

If you have further questions about how this may affect your operation, or would like assistance in finding a recycling center to serve your zone, please contact the Division's Convenience Zone Section at (916) 322-4867.

Additional Information

To assist you with questions you might have about the California Beverage Container Recycling Program, additional information is available to you on the Department's website at www.conservation.ca.gov. The website has a comprehensive listing of beverages included in the Program, frequently asked questions (FAQs), and other notices and information pertaining to dealers. If you would prefer to speak with a Division representative, please call 1-800-RECYCLE and your call will be directed to the appropriate staff.

If you have questions regarding this notice or specific questions regarding dealer requirements, you may contact the Division's Dealer Services Section at (916) 323-3263.

Jim Ferguson
Assistant Director
for Recycling